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Testimony for HB 5723

Michigan Competitiveness Committee – May 22, 2018

Stephen V. Pangori, PE, President

Anderson, Eckstein and Westrick, Inc.

I would like to thank all of you for the opportunity to testify in opposition of House Bill 5723. My name is Stephen Pangori and I am the President of Anderson, Eckstein and Westrick, Inc. We provide municipal engineering services for more than 28 municipalities in southeast Michigan and have been in business for 50 years. I have been a licensed professional engineer for 26 years and have worked as a consulting engineer for over 31 years. Prior to that I worked for 8 years at my father's underground construction company installing water and sewer lines.

Needless to say, I am very frustrated with this proposed legislation and have lost a few nights sleep tossing and turning over the potential consequences of this unnecessary legislation.

First I would like to share with you the practical reasons why I feel that this legislation is unnecessary. I understand that this bill is being supported by the American Chemistry Council who feels that the plastic pipe industry is not getting a fair shake in our state. From my perspective, that is simply untrue. During my 30 years in this industry, I am confident to say that more than 90% of all 4" to 15" diameter sanitary sewers that were installed in the communities that my firm works for and the communities that we have designed projects in have all been some form of plastic pipe, mainly PVC and ABS Truss pipe. This is not due to legislation, this is due to a superior product that is cost effective and withstood years of product verification. On the water side, ductile iron was the most predominant pipe material when I started my carrier. We began specifying plastic pipe for water mains in the early 1990's and now nearly every one of the communities that we represent allow the use of plastic pipe for their water system. I recently reviewed the type of pipe that was used on each of the water main projects that our firm designed last year and found that more than 50% of the pipe installed was plastic. My point is that the system is not broken. We are evaluating the pros and cons of various materials when we design projects and various types of pipe material is being utilized. We are designing systems that provide the best long term value for the owner and we are specifying pipe materials that are appropriate for the conditions of each project. This legislation is simply not needed.



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1. In addition, I would like to point out the following:
 - This bill would eliminate local control. Engineers and communities need to maintain local control in order to determine the best material(s) based on the factors important to the local community.
 - Just because a pipe material meets recognized standards (ASTM or AWWA) does not mean that it is sufficient for all soil conditions, depths and types of fluid that may be carrying. We must also insure that the material has undergone several years of product verification before it is used on a public project and paid for with public funds. (Asbestos cement water pipe example)
 - As engineers, we must also consider the long term maintenance of the public utility system when designing a project. Having multiple types of pipe material in the system will require training of the maintenance staff on each type of material and maintaining an inventory of all the different types of pipe and fittings for emergencies. This will add cost and increase the possibility of human error when making repairs or taps to pipes in the future.
 - Decisions on piping materials should be made by licensed professional engineers based on critical factors such as the design variables, system life, asset value, maintenance, costs and serviceability. At a time when the state is mandating that local agencies develop asset management plans for their utilities, this bill would undermine the ability of the local utility to efficiently manage and operate their systems. In my mind these efforts are contradictory.
 - This bill would prohibit communities from adopting or enforcing ordinances that would prohibit the use of certain pipe. I am not aware of any community that has adopted ordinances that indicate what pipe material can or cannot be used for water or waste water projects. Communities use specifications and standard plans to indicate the type of material that is acceptable. If this is the intent of this bill then, again, in my opinion the legislation is not needed since ordinances are not used for this purpose.
 - If the intent of this bill is to prohibit communities from developing and adopting engineering standards or specifications that reference specific material, municipalities and their engineers will be left in the dark. Specifications and standards will have to be performance based and the type of pipe material that



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the contractor is bidding will not be known until after bids are received. This will very likely result in the engineer and local agency having to evaluate material that are new to them **after** bids are received causing project delays, added costs and potential litigation. Is this really protecting the professional judgement of the project engineer to select the appropriate pipe material? I would argue that it will end up doing just the opposite. This bill, if approved, may end up resulting in the use of pipe material, like asbestos cement water main, that years from now we all wish hadn't been used.

- Contrary to what the supporters of this bill will tell you, most of the local agencies specifications and standards that I am aware of do permit the use of different types of pipe material. But in these cases, the pipe materials have been evaluated for the conditions and uses of that specific community and their staff have been trained in the use and maintenance of that material.

In closing I would like to reiterate that I do not believe that we need to legislate pipe material for public projects or any material for that matter. I do **not** believe that the system is broke and it does **not** need to be fixed. As engineers I feel that we are already evaluating the pros and cons of various materials when designing public projects. I also feel that this proposed legislation will **not** benefit the communities that we serve and that it is simply catering to an industry that is trying to use legislation to gain market share.

Thank You

